

Calendar No. 892

68TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ No. 820

GRANTING A REAPPRAISEMENT OF LOTS IN THE TOWN SITE OF BOWDOIN, MONT.

DECEMBER 16 (calendar day, DECEMBER 19), 1924.—Ordered to be printed

Mr. WALSH of Montana, from the Committee on Public Lands and
Surveys, submitted the following

REPORT

[To accompany H. R. 7522]

The Committee on Public Lands and Surveys, to whom was referred the bill (H. R. 7522) to authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Mont., having considered the same, reports thereon favorably without amendment and recommends it do pass.

The recommendation of the Department of the Interior is indicated by the reports submitted by them as follows:

DEPARTMENT OF THE INTERIOR,
Washington, May 3, 1924.

Hon. N. J. SINNOTT,
Chairman Committee on Public Lands,
House of Representatives.

MY DEAR MR. SINNOTT: Reference is again made to your letter of March 7, 1924, requesting report on bill H. R. 7522.

The bill is as follows:

"A BILL To authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Montana

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to issue patents to purchasers of lots in the town site of Bowdoin, Montana, who have made payments of at least \$50 for each lot by virtue of land contracts previously entered into."

In 1919 a large number of lots in Bowdoin town site, Montana, were sold in accordance with the appraisal made and approved by this department. At that time the town was a division point of the Great Northern Railway, with round-house, railroad shops, and yards, in which a large number of men were employed. Subsequently these buildings were torn down, and the town ceased to be a division point. This left but a small amount of business centering around the town, and the values of the lots depreciated very much.

The total number of lots in the town site was 434, the total number of lots sold 216, leaving 218 lots unsold.

Of the lots sold 86 have been fully paid for and patented. The average sale price of the patented lots was about \$275; of the other 130 lots, the average price was about \$180. The amount paid in excess of \$50 each for the patented lots is about \$19,350 and for the unpatented lots about \$16,500, a total of \$35,850 in excess of \$50 per lot. The appraised values ranged from \$100 to \$750 per lot.

There is no doubt that the value of the lots is at the present time much less than the appraised price, although it is believed that a considerable proportion of the lots is worth more than \$50 each.

The equitable method of dealing with this situation would be to reappraise all the lots, and in the case of those on which payments have been made to make an adjustment to the new appraisal, patent would issue. Where the purchaser has not paid the value according to the new appraisal, he would be required to pay the difference before receiving patent.

It is therefore suggested that the bill be redrawn so as to read as follows:

"A BILL To provide for a reappraisal of lots in the town site of Bowdoin, Montana

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to reappraise the lots in the townsite of Bowdoin, Montana, whether sold or unsold, and to issue patent, if not already issued, in those cases where the amount paid is in excess of the value appraised thereunder. In cases where the amount paid is not equal to the new appraisal the purchaser may receive patent upon making payment in accordance with the new appraisal, either in cash or by installments, in conformity with the terms of existing law. Lots not heretofore sold likewise may be sold at the new appraised value in accordance with existing law."

In accordance with requirement of Budget Circular No. 49, this report was submitted to the Bureau of the Budget for consideration, and under date of April 30, 1924, Director Lord advised that the report is not in conflict with the financial program of the President.

Very truly yours,

E. C. FINNEY, Acting Secretary.